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Proposed programme budget for the biennium 2004-2005

Pattern of conferences

Cost implications of providing more predictable and adequate conference services to the meetings of regional and other major groupings of Member States

Report of the Secretary-General*

Summary

The General Assembly, in section II of its resolution 57/283 B of 15 April 2003: (a) reaffirmed its decision to include all necessary resources in the budget for the biennium 2004-2005 to provide interpretation services for meetings of regional and other major groupings of Member States upon request by those groups in accordance with established practice, and requested the Secretary-General to submit to the Assembly a report on the implementation of this decision; (b) requested the Secretary-General to submit a separate report to the Assembly on the cost implications of providing more predictable and adequate conference services to the meetings of regional and other major groupings of Member States for its consideration in the context of the proposed programme budget for the biennium 2004-2005. The present report responds to those requests.

An analysis of the existing mandate for servicing such meetings, the capacity of the departments and offices involved in servicing them and the level of resources currently available for that purpose, as well as the level of resources in the proposed programme budget for the biennium 2004-2005, leads to the unavoidable conclusion that a change in mandate and the consequent programming of additional conference time and the allocation of related financial resources would be the most practical solution to providing more predictable and adequate conference services to the meetings of regional and other major groupings of Member States.

* The preparation of this report was delayed in order to take into account in the cost estimates the recommendations of the Committee on Conferences at its 2003 substantive session with regard to servicing meetings of regional and other major groupings of Member States.

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Should the General Assembly decide to change the mandate and establish, effective for the biennium 2004-2005, such arrangements for meetings of the regional and other major groupings of Member States, additional resources in the amount of $7,966,000 would be required for that purpose for the biennium 2004-2005. The additional requirements would be subject to the procedure for using and operating the contingency fund established by the General Assembly in its resolution 42/211 of 21 December 1987.

I. Background

1. By paragraph 14 of section II of its resolution 57/283 B of 15 April 2003, the General Assembly reaffirmed its decision in its resolution 56/242 of 24 December 2001 to include all necessary resources in the budget for the biennium 2004-2005 to provide interpretation services for meetings of regional and other major groupings of Member States upon request by those groups, on an ad hoc basis, in accordance with established practice, and requested the Secretary-General to submit to it at its fifty-eighth session, through the Committee on Conferences, a report on the implementation of that decision. In paragraph 16 the Assembly requested the Secretary-General to submit a separate detailed report at its fifty-seventh session on the cost implications of providing more predictable and adequate conference services to the meetings of regional and other major groupings of Member States for its consideration in the context of the proposed programme budget for the biennium 2004-2005.

2. It may be recalled that the issue of providing conference services to meetings of regional and other major groupings of Member States has been on the agenda of the Fifth Committee of the General Assembly for the past few years. In this connection it will be recalled that a detailed study of the adequacy of financial resources to accommodate the existing capacity of the Organization for servicing conferences and meetings of United Nations organs was undertaken in 2002 in response to a request by the Assembly contained in its resolution 56/254 D of 27 March 2002. The main conclusion of the study was set out in a report of the Secretary-General (A/56/919). The study found that over the 10-year period from 1992 to 2001 the disparity between the demand for services to be provided to the intergovernmental and expert organs at New York, Geneva, Vienna and Nairobi and the level of financial resources initially appropriated by the Assembly for financing those services has been progressively widening, resulting in a substantial overexpenditure, particularly under section 2, General Assembly affairs and conference services, of the programme budget, against the revised appropriation approved by the Assembly for both the biennium 1998-1999[1] and the biennium 2000-2001[2] (ibid., para. 7).

3. The situation was aggravated further in the biennium 2002-2003 when, by its resolution 56/242 of 24 December 2001, the General Assembly approved an increase in the biennial programme of meetings by 4 per cent as compared to 2000-2001 and, at the same time, by its resolution 56/253 of the same date, the Assembly adopted a number of cost-cutting measures for the 2002-2003 programme budget,[3] which effectively reduced the already insufficient amount of resources by $8 million under section 2.

4. The other essential component of meeting services is provided by the Office of Central Support Services at Headquarters and by the local administrations at the United Nations Offices at Geneva, Vienna and Nairobi. Those services include sound engineering, security and conference-room services and related costs for cleaning and utilities. At Headquarters alone, based on established standards, the notional cost of common support services provided to scheduled meetings is $24.2 million for the biennium 2002-2003. The operational requirements within the programme budget of the Office of Central Support Services for the biennium were initially estimated at $148,056,600. Those funds were proposed for various contractual services, general operating expenses and supplies and equipment for

Headquarters infrastructure requirements, including support to the United Nations conferences and meetings to be held at Headquarters. With respect to cost-cutting measures, the estimated requirements for the Office were reduced by $21,680,000, or 14.6 per cent, which constitutes the proportion of the reductions imposed in paragraph 70 of resolution 56/253 related to the Office of Central Support Services. Similar but smaller reductions have been effected against the estimated requirements for administrative services at the United Nations Offices at Geneva, Vienna and Nairobi.

5. The interim report on the use of resources of the Department for General Assembly and Conference Management in the biennium 2002-2003 was provided to the Assembly in the context of the first performance report on the programme budget for that biennium (A/57/616, annex V). It was indicated in the report that, while the implementation of the approved biennial programme of meetings was on target, the reduction in resources implied an overexpenditure at the end of the biennium of about $14 million. The implementation of the 2002-2003 programme budget under section 2 and section 27, Management and central support services, is being closely monitored and a number of cost-saving measures are being implemented. Yet, as at 31 July 2003, under section 2 in particular, the gap had widened between the actual level of expenditures recorded and the expected expenditure level. An analysis demonstrated that, in addition to the cost factors, such as a substantial weakening of the United States dollar against the euro and other main European currencies, contributing to the overexpenditure, the demand for services over the previous 18 months of the biennium indicated the insufficient level of the revised appropriation approved for this biennium under sections 2 and 27.

6. In summary, the foregoing analysis clearly demonstrates the disparity between the capacity of the conference services and common services of the Secretariat and the level of resources available for financing the approved programme of meetings under sections 2 and 27 of the budget. In reality, therefore, no spare budgetary resources exist within the programme budget for the biennium 2002-2003, under either section 2 or section 27, to absorb any additional costs related to the provision of services to meetings of regional and other major groupings of Member States under the current practice, on an as-available basis.

II. Requirements for the provision of more predictable and adequate conference services to the meetings of regional and other major groupings of Member States

7. The current methodology for and practice of providing services to meetings of regional and other major groupings of Member States, as well as the related statistical data and analyses, are outlined in the report of the Secretary-General entitled "Pattern of conferences" (A/58/194 and Corr.1 and 2). In the same report, two proposals for providing more predictable and adequate conference services to the above-mentioned meetings were described. The first option would involve setting aside one large conference room, with full interpretation services, solely for such meetings, either weekly or daily, and allocated either in advance or on a first-come first-served basis. This option would allow up to 500 meetings of regional and other groupings to be served annually. The second option would be to build the cost of additional services into the budgetary requirements for regular sessions of

commissions and committees that require a substantial number of meetings by regional and other major groupings (ibid., para. 36).

8. The statistics on servicing the meetings of regional and other major groupings of Member States held at Headquarters and the United Nations Offices at Geneva, Vienna and Nairobi are provided in table 1 (see A/56/213 and Corr.1 and A/58/194 and Corr.1 and 2 for further details).

Table 1
Statistics on servicing meetings of regional and other major groupings of Member States

	Interpretation services			*Conference facilities*[a]	
	Requested	*Provided*	*Not provided*	*Requested*	*Provided*
May 2002-April 2003	290	267	23	1 434	1 434
July 2001-April 2002	249	243	6	1 227	1 227
July 2000-June 2001	318	292	26	1 704	1 704
July 1999-June 2000	321	269	52	1 435	1 435
July 1998-June 1999	314	262	52	1 150	1 150
Average annual demand in services and facilities	308			1 390	

[a] Includes revised data for Geneva, based on updated information.

9. At its 2003 substantive session, the Committee on Conferences,[4] in its report to the General Assembly, decided to recommend that the Assembly include in section II of its resolution entitled "Pattern of conferences" the following two paragraphs:

> "*The General Assembly*,
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> ...
>
> "4. *Reaffirms* that the provision of conference services for meetings and consultations of regional and other major groupings of Member States, to the maximum extent possible, facilitates the work of the Main Committees of the General Assembly and other United Nations bodies;
>
> "5. *Reaffirms* its decision in section II.A, paragraph 14, of its resolution 57/283 B to include all necessary resources in the budget for the biennium 2004-2005 to provide interpretation services for meetings of regional and other major groupings of Member States upon request by those groups, on an ad hoc basis, in accordance with established practice, and requests the Secretary-General to submit to the General Assembly at its fifty-ninth session, through the Committee on Conferences, a report on the implementation of that decision".

10. Under the terms of operative paragraph 5 of the draft resolution recommended by the Committee on Conferences, the General Assembly would continue in future with the established practice of servicing the meetings of regional and other major grouping of Member States on an ad hoc basis, upon request by those groups. At the same time, in part II, paragraph 16 of its resolution 57/283 B, the Assembly requested an analysis of the costs that would be involved should the services be

provided by the Secretariat to the regional and other major groupings of the Member States on a more predictable and adequate basis; in other words, if the mandate were changed.

11. More predictable and adequate services can be provided under the following two conditions. The first condition is that the Secretariat must be notified well in advance by any particular regional or other major group of Member States of its intention to have a meeting on any specific date, with an indication of the number of participants involved and whether interpretation would be required. The second condition is that Secretariat capacity, including conference rooms and interpretation services, would be made available for servicing such meetings. Fulfilment of the first condition is critical for providing predictable and adequate services. This would allow the Secretariat to determine whether the services could be provided for the requested date, bearing in mind that the meetings programmed in the United Nations calendar of conferences and meetings always have priority over the meetings of regional or other groups. It should also be kept in mind that, based on this prioritization of meetings, the fulfilment of the first condition still does not guarantee that the services would be available for the requested date. Adjustment of the meeting schedule and reassignment of the requested meeting to another day could be required owing either to unavailability of a conference room or lack of available interpretation services, as is the case currently when no specific resources are earmarked for the servicing of those groups. The predictability of the servicing, however, would likely be enhanced.

12. Based on the experience with servicing the meetings of regional and other major groupings of Member States gained so far, it appears that the advance reservation of services by those groups may not be a practical solution to the need for predictable and adequate services. Indeed, the need for meetings of such groups stems mostly from the desires of intergovernmental organs during their deliberations to coordinate action and to achieve common positions on the issues under review. This prompts urgent meetings of regional and other groupings of Member States immediately before or during sessions of the intergovernmental organs. In this situation the advance reservation of services may result in numerous cancellations of the previously scheduled meetings, as well as in an unfulfilled demand for other urgent meetings. That was the main reason for the proposal of two options to improve the servicing of meetings of regional and other major groupings of Member States set out in paragraph 7 above. It should be understood, however, that the proposed arrangements would lead to an increase in the overall amount of conference services and a call for significant additional resources.

13. Based on the recommendations of the Committee on Conferences made on the issue at its 2003 substantive session and with a view to allocating the resources required for the provision of services to regional and other major groupings, the cost estimates detailed below reflect the average annual level of services provided for the past five years. It is understood that, should the required resources be provided in the programme budget for the biennium 2004-2005,[5] the commensurate level of services would be programmed within the biennial calendar of conferences and meetings for 2004-2005, thereby ensuring predictable and adequate services. In terms of its cost implications, this approach corresponds in large part to the arrangements proposed under the second option outlined in paragraph 7 above. The cost estimates in table 2 reflect the requirements in the biennium 2004-2005 for both interpretation and common support services to those meetings.

Table 2
Summary of estimated costs in the biennium 2004-2005 of providing conference and common support services to meetings of regional and other major groupings of Member States

(Thousands of United States dollars)

	Budget section					
	2	*29D*	*29E*	*29F[a]*	*29G*	*Total*
New York (based on 252 requests per year for meetings with interpretation)	3 496.9	1 228.5				4 725.4
New York (based on 800 requests per year for conference facilities only)		2 099.6				2 099.6
Geneva (based on 55 requests per year for meetings with interpretation)	532.0		89.8			621.8
Geneva (based on 250 requests per year for conference facilities only)			129.5			129.5
Vienna (based on 330 requests per year for conference facilities only)				204.8		204.8
Nairobi (based on 1 request per year for meetings with interpretation)	15.5				1.7	17.2
Nairobi (based on 100 requests per year for conference facilities only)					167.7	167.7
Total	**4 044.4**	**3 328.1**	**219.3**	**204.8**	**169.4**	**7 966.0**

[a] Represents the estimated costs based on the past expenditures billed to the United Nations Office at Vienna by the United Nations Industrial Development Organization for usage of conference rooms by regional and other major groupings of Member States on issues relating to the United Nations at Vienna.

14. In summary, the requirements for the biennium 2004-2005 associated with the provision of services to meetings of regional and other major groupings of Member States are estimated at $7,966,000, comprising $4,044,400 under section 2, General Assembly affairs and conference services, and $3,999,300 under section 29, Management and central support services, including the Office of Central Support Services ($3,328,100), Administration, Geneva ($219,300), Administration, Vienna ($204,800), and Administration, Nairobi ($169,400).

III. Conclusions and recommendations

15. **By its resolution 57/283 B, the General Assembly reaffirmed its decision to include all necessary resources in the budget for the biennium 2004-2005 to provide interpretation services for meetings of regional and other major groupings of Member States. At present, it is the practice of the Organization to service such meetings on an ad hoc basis from within the existing capacity of the Department for General Assembly and Conference Management, including conference services at Geneva, Vienna and Nairobi and the related common support services. No dedicated resources have been allocated so far in the United Nations programme budget for those services. The costs associated with**

such unprogrammed services have customarily been met from within the overall budget resources of the Organization.

16. **The analysis of the existing mandate, the capacity of the departments and offices involved in the servicing of conferences and meetings of United Nations organs and the level of resources currently available for that purpose, as well as of the level of resources proposed in the proposed programme budget for the biennium 2004-2005, has led to the conclusion that a change in the mandate, the programming of dedicated conference-servicing time and the allocation of related financial resources would be the only means of providing more predictable and adequate conference services to the meetings of regional and other groupings of Member States.**

17. **Should the General Assembly decide to change the mandate and establish, effective in the biennium 2004-2005, more predictable and adequate conference-servicing arrangements for meetings of those groups, an adequate resource provision would need to be made in addition to the resources initially requested in the proposed programme budget for the biennium 2004-2005. Based on average annual demand for such services over the past five years, that provision has been estimated in the amount of $7,966,000, broken down as follows (in United States dollars):**

Section 2, General Assembly affairs and conference services	**4 044 400**
Section 29D, Office of Central Support Services	**3 328 100**
Section 29E, Administration, Geneva	**219 300**
Section 29F, Administration, Vienna	**204 800**
Section 29G, Administration, Nairobi	**169 400**
Total	**7 966 000**

18. **The estimated requirements of $7,966,000 would be subject to the procedure for the use and operation of the contingency fund established by the General Assembly in its resolution 42/211 of 21 December 1987.**

19. **The demand for services for meetings of regional and other major groupings of Member States would be kept under review. Should the actual demand for such services in the biennium 2004-2005 exceed the assumptions utilized in the present report, the actual financial requirements would be reported to the General Assembly in the context of the second budget performance report for that biennium.**

Notes

[1] *Official Records of the General Assembly, Fifty-second Session, Supplement No. 6* (A/52/6/Rev.1).

[2] Ibid., *Fifty-fourth Session, Supplement No. 6* (A/54/6/Rev.1).

[3] A/56/6 (Introduction, Sects. 1-33 and Income sects. 1-3), A/56/6/Corr.1 and A/56/6/Add.1 and 2.

[4] *Official Records of the General Assembly, Fifty-eighth session, Supplement No. 32* (A/58/32), annex I.

[5] A/58/6 (Introduction, Sects. 1-35 and Income sects. 1-3) and A/58/6/Corr.1.